

STATE OF NEW YORK
STATE TAX COMMISSION

In the Matter of the Petition :

of

Harold W. Taylor :

AFFIDAVIT OF MAILING

for Redetermination of a Deficiency or a Revision :
of a Determination or a Refund of
Unincorporated Business Tax :
under Article 23 of the Tax Law
for the Years 1970 - 1972. :

State of New York
County of Albany

Jay Vredenburg, being duly sworn, deposes and says that he is an employee of the Department of Taxation and Finance, over 18 years of age, and that on the 14th day of November, 1980, he served the within notice of Decision by certified mail upon Harold W. Taylor, the petitioner in the within proceeding, by enclosing a true copy thereof in a securely sealed postpaid wrapper addressed as follows:

Harold W. Taylor
18 Cardoza Ave.
Mohegan Lake, NY 10547

and by depositing same enclosed in a postpaid properly addressed wrapper in a (post office or official depository) under the exclusive care and custody of the United States Postal Service within the State of New York.

That deponent further says that the said addressee is the petitioner herein and that the address set forth on said wrapper is the last known address of the petitioner.

Sworn to before me this
14th day of November, 1980.

Detorah A Bank

J. Vredenburg

STATE OF NEW YORK
STATE TAX COMMISSION

In the Matter of the Petition :

of

Harold W. Taylor :

AFFIDAVIT OF MAILING

for Redetermination of a Deficiency or a Revision :

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Unincorporated Business Tax :

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for the Years 1970 - 1972. :

State of New York

County of Albany

Jay Vredenburg, being duly sworn, deposes and says that he is an employee of the Department of Taxation and Finance, over 18 years of age, and that on the 14th day of November, 1980, he served the within notice of Decision by certified mail upon Sidney Zuckerbrod the representative of the petitioner in the within proceeding, by enclosing a true copy thereof in a securely sealed postpaid wrapper addressed as follows:

Mr. Sidney Zuckerbrod
Sidney Zuckerbrod & Co.
58 W. 40th St.
New York, NY 10018

and by depositing same enclosed in a postpaid properly addressed wrapper in a (post office or official depository) under the exclusive care and custody of the United States Postal Service within the State of New York.

That deponent further says that the said addressee is the representative of the petitioner herein and that the address set forth on said wrapper is the last known address of the representative of the petitioner.

Sworn to before me this

14th day of November, 1980.

Deborah A Bank

J. Vredenburg

STATE OF NEW YORK
STATE TAX COMMISSION
ALBANY, NEW YORK 12227

November 14, 1980

Harold W. Taylor
18 Cardoza Ave.
Mohegan Lake, NY 10547

Dear Mr. Taylor:

Please take notice of the Decision of the State Tax Commission enclosed herewith.

You have now exhausted your right of review at the administrative level. Pursuant to section(s) 722 of the Tax Law, any proceeding in court to review an adverse decision by the State Tax Commission can only be instituted under Article 78 of the Civil Practice Laws and Rules, and must be commenced in the Supreme Court of the State of New York, Albany County, within 4 months from the date of this notice.

Inquiries concerning the computation of tax due or refund allowed in accordance with this decision may be addressed to:

NYS Dept. Taxation and Finance
Deputy Commissioner and Counsel
Albany, New York 12227
Phone # (518) 457-6240

Very truly yours,

STATE TAX COMMISSION

cc: Petitioner's Representative
Sidney Zuckerbrod
Sidney Zuckerbrod & Co.
58 W. 40th St.
New York, NY 10018
Taxing Bureau's Representative

STATE OF NEW YORK

STATE TAX COMMISSION

In the Matter of the Petition :
of :
HAROLD W. TAYLOR : DECISION
for Redetermination of a Deficiency or :
for Refund of Unincorporated Business :
Tax under Article 23 of the Tax Law for :
the Years 1970, 1971 and 1972. :

Petitioner, Harold W. Taylor, 18 Cardoza Avenue, Mohegan Lake, New York 10547, filed a petition for redetermination of a deficiency or for refund of unincorporated business tax under Article 23 of the Tax Law for the years 1970, 1971 and 1972 (File No. 14849).

A small claims hearing was held before William Valcarcel, Hearing Officer, at the offices of the State Tax Commission, Two World Trade Center, New York, New York, on March 21, 1980 at 9:15 A.M. Petitioner, Harold W. Taylor, appeared with Sidney Zuckerbrod, PA. The Audit Division appeared by Ralph J. Vecchio, Esq. (Aliza Schwadron, Esq., of counsel).

ISSUE

Whether the income derived from petitioner's activities during the years 1970, 1971 and 1972 is subject to the unincorporated business tax.

FINDINGS OF FACT

1. Petitioner, Harold Taylor, and Elinor Taylor, his wife, filed New York State combined income tax resident returns for the years 1970, 1971 and 1972, on which net business income was reported in the amounts of \$26,276.00, \$10,865.00 and \$6,820.00, respectively. Petitioner did not file unincorporated business tax returns for the years 1970, 1971 and 1972.

2. On February 24, 1976, the Audit Division issued a Notice of Deficiency in the sum of \$3,073.31, along with an explanatory Statement of Audit Changes on which petitioner's net business income was held subject to the unincorporated business tax for the years 1970, 1971 and 1972. In addition, penalties pursuant to sections 685(a) (1), 685(a) (2) and 685(c) of the Tax Law were imposed.

3. The aforementioned Statement of Audit Changes indicated that net business income for the year 1972 was \$21,135.00. This figure was actually reported as interest income on petitioner's 1972 tax return and was erroneously picked up by the Audit Division as net business income. The correct figure for net business income for the year 1972 was \$6,820.00 (see Finding of Fact #1).

4. Petitioner, Harold Taylor, is a licensed real estate broker and was retained by Charles J. Bensley ("Bensley") for the purpose of leasing or selling a chain of service stations. Petitioner was required to devote his full time and efforts toward this task, so he gave up his own office and occupied an office provided by Bensley which included secretarial and telephone services.

5. Petitioner was compensated on a fixed and predetermined amount of money for his services, without consideration of the amounts received by Bensley through leases or sales contracts obtained by petitioner's efforts. All terms and conditions were dictated by Bensley and were subject to his final approval.

6. Petitioner was required to represent Bensley exclusively, and in the event a commission was earned from other sources, it was understood that it belonged to Bensley.

1. The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that proper record-keeping is essential for the integrity of the financial system and for the ability to detect and prevent fraud.

2. The second part of the document outlines the specific procedures for recording transactions. It details the steps involved in the accounting cycle, from identifying the transaction to posting it to the appropriate ledger account.

3. The third part of the document discusses the role of the auditor in verifying the accuracy of the records. It describes the various techniques used by auditors to test the reliability of the data and to ensure that the financial statements are presented fairly.

4. The fourth part of the document addresses the issue of internal controls. It explains how a well-designed system of internal controls can help to minimize the risk of error and to ensure that the organization's assets are protected.

5. The fifth part of the document discusses the importance of transparency and accountability in financial reporting. It argues that organizations should be open and honest about their financial performance and should provide clear and concise information to their stakeholders.

6. The sixth part of the document discusses the role of the government in regulating the financial system. It describes the various laws and regulations that govern the behavior of financial institutions and the consequences of non-compliance.

7. The seventh part of the document discusses the importance of ethical behavior in the financial industry. It argues that financial professionals should always act in the best interests of their clients and should avoid any conflicts of interest.

8. The eighth part of the document discusses the role of the media in financial reporting. It describes how the media can help to disseminate financial information and to hold financial institutions accountable for their actions.

9. The ninth part of the document discusses the importance of ongoing education and training for financial professionals. It argues that the financial industry is constantly evolving and that professionals must stay up-to-date on the latest developments.

10. The tenth part of the document discusses the importance of collaboration and communication among financial institutions. It argues that working together can help to improve the efficiency of the financial system and to reduce the risk of systemic failure.

7. Petitioner was compensated without the withholding of payroll taxes and without reimbursement of expenses. Petitioner contributed to a retirement plan (Keogh Plan) during 1970 and paid self-employment taxes for the years 1970, 1971 and 1972.

8. Petitioner was required to report to Bensley's office and to report his daily activities and contacts.

CONCLUSIONS OF LAW

A. That sufficient direction and control was exercised by Charles J. Bensley during 1970, 1971 and 1972 so as to cause petitioner, Harold Taylor, to become his employee within the meaning and intent of section 703(b) of the Tax Law and, accordingly, the income derived therefrom is not subject to the unincorporated business tax.

B. That the petition of Harold Taylor is granted and the Notice of Deficiency issued February 24, 1976 is cancelled.

DATED: Albany, New York

NOV 14 1980

STATE TAX COMMISSION


PRESIDENT


COMMISSIONER


COMMISSIONER

Handwritten text, mostly illegible due to fading and bleed-through. The text appears to be a letter or a report, with several lines of cursive script. Some words like "Dear" and "Sincerely" might be visible at the beginning and end of the text.

Handwritten signature and name, possibly "James A. [illegible]". The signature is written in a cursive style, and the name is written in a more formal, blocky style below it.

NOV 4 1960